GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4929
ANSWERED ON:24.08.2001
CRB MUTUAL FUND SCAM
DR. KIRIT SOMAIYA;GADDE RAMAMOHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of FINANCE be pleased to state:

(a) whether the SEBI executive director is facing aregular departmental inquiry for showing favours to CRB Mutual Fund, which later collapsed leaving millions of investors in the lurch;

(b) if so, whether the CBI and CVC have completed the inquiry on CRB Scam;

(c) if so, the outcome thereof; and

(d) the persons found guilty and the action taken against them?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (d) The Securities and Exchange Board of India (SEBI) has intimated that based on investigations by the Central Bureau of Investigation (CBI), the Central Vigilance Commission (CVC) has ordered a regular departmental enquiry against Shri Pratip Kar, Executive Director, SEBI for recommending the registration of CRB Mutual Fund. CVC has also named on Enquiry Officer in the case.